

Congress of the United States
Washington, DC 20515

October 10, 2019

The Honorable Jonathan Hayes
Acting Director, Office of Refugee Resettlement
Administration for Children and Families
U.S. Department of Health & Human Services
Mary E. Switzer Building
330 C ST SW
Washington, DC 20201

Dear Acting Director Hayes:

We are writing to bring to your attention our concerns regarding recent news surrounding the Unaccompanied Alien Children (UAC) grant program administered by the Office of Refugee Resettlement (ORR).

In April 2019, ORR awarded a North Carolina company, New Horizon LLC, a nearly \$4 million grant to care for UACs.¹ However, we learned that New Horizon had its license suspended by the state of North Carolina due to several violations regarding children in its care.² A 2018 state audit conducted in advance of the suspension “allege(s) abuse and say(s) the company failed to provide proper care and counseling to boys at the home who had a range of mental issues. Instead of getting required services, the state said in its report, children spent hours watching Netflix and playing video games.”³ The state also found that New Horizon failed to hire licensed professionals to work at its now-shuttered group home for children with mental health and behavioral challenges. On August 9, 2019, the state of North Carolina denied the license to New Horizon.⁴

UACs often suffer from the trauma of arduous journeys to the United States and separation from loved ones, and they deserve a safe place to call home while ORR works to reunite them with parents, family members, or trusted guardians while awaiting immigration proceedings. We understand that ORR programs were near capacity due to an influx of UACs and the effects of the administration’s family separation policy when the grant was awarded. However, we have

¹ <https://www.usaspending.gov/#/award/80727386>

² <https://www.documentcloud.org/documents/6213075-New-Horizon-Group-Home-LLC-078-318-SS-4-11-18.html>

³ <https://www.documentcloud.org/documents/6223310-New-Horizon-Lumber-Bridge-deficiencies.html>

⁴ Fain, Travis. “State Denies License for Company That Wants to House Migrant Children in NC.” *WRAL*, 9 Aug. 2019.

several questions regarding how ORR vets potential grantees that wish to operate shelters on behalf of the UAC program and whether sufficient protocols are in place to ensure the safety of these vulnerable children.

We respectfully request answers to the following questions:

1. Are grantees that seek to provide care for children in the UAC program required to disclose any previous violations or license suspensions during the application process?
2. If so, does ORR consider previous license suspensions or a company's record of violations in its decision to award UAC grants?
3. Does ORR request licensing information and/or the previous records of the applicant from state licensing agencies, including information related to other kinds of services or programs that the company provides?
4. How many federal dollars can be used by a grantee upon receiving a grant, but before it receives a state license to provide services?
 - a. In the case of New Horizon's grant, how many funds were obligated and spent by the company before the state of North Carolina denied their license?
 - b. In the case of New Horizon, how much of the grant will be de-obligated or returned to ORR?
5. If a grantee is unable to obtain a state license but has already received federal funds, does ORR try to recoup those funds?
 - a. Has this ever happened to another ORR grant recipient in the past? If so, how much of the funds did ORR recoup from that recipient?

Thank you for your time and attention to these important questions.

Sincerely,



DAVID E. PRICE
Member of Congress



ROSA L. DELAUBRO
Member of Congress